



Connecticut Department of Public Health

Testimony to the Appropriations Committee

March 3, 2022

**Commissioner Manisha Juthani, MD
860-509-7101**

Senate Bill 106, An Act Concerning Legislative Oversight and Approval for the Expenditure of Federal Transportation Infrastructure Funding.

The Department of Public Health (DPH) is opposed to SB 106, which requires legislative oversight and approval for the expenditure of federal transportation infrastructure funds. Thank you for the opportunity to testify on this important issue.

The funding established under the Infrastructure Investment and Jobs Act (IIJA), now referred to as the Bipartisan Infrastructure Law (BIL), was put in place to support existing programs detailed in this testimony. These programs follow robust statutorily required reporting and public engagement procedures which will continue with the additional funding from the BIL. The new requirements outlined in this bill could challenge public grant opportunities for which the existing programs may be eligible. When submitting a grant proposal, DPH must detail how we will spend the funds. Altering those plans is administratively challenging and could delay the distribution of these funds to the local communities that desperately need assistance.

If there is a requirement for the legislature to approve the BIL spending prior to program execution, DPH has concerns that the additional barriers in receiving funding could also challenge meeting federal deadlines.

Ongoing programs the BIL will fund:

DPH is responsible for implementing and enforcing the Environmental Protection Agency's (EPA) Safe Drinking Water Act (SDWA), which includes regulatory oversight of approximately 2,400 public water systems (PWS) in Connecticut. As the state primacy agency, DPH has sole authority to apply for and receive an annual capitalization grant from the EPA for implementation of the Drinking Water State Revolving Fund (DWSRF). The DPH DWSRF program, as directed by federal law, offers low-interest, subsidized loans to eligible community and non-profit non-community public water systems for drinking water infrastructure projects that protect public health. This includes projects that are necessary for regulatory compliance, that strengthen resiliency and that support long-term infrastructure sustainability programs.

Over the last 25 years, the DWSRF has provided \$398 million in funding for 281 drinking water projects that have benefited 80 towns and cities in Connecticut and enhanced the public drinking water supply safety and adequacy in communities throughout the state. DPH currently has 110 drinking water infrastructure projects totaling \$527.3 million in its SFY 2022 Intended Use Plan (IUP). These projects include 12 Lead Service Line Replacement (LSLR) projects totaling \$136.5 million that are all eligible for funding from the BIL's LSLR grant. The DWSRF program is currently working with the City of New London, a distressed municipality, to finance their \$20 million LSLR project which is expected to be ready for construction in the Summer of 2022.

The BIL also generates 3 new funds through the DPH DWSRF over the next 5 years. Those grants include a Supplemental Capitalization Grant, LSLR Grant and an Emerging Contaminants Grant (see Table 1 below). The infrastructure funding provided in these grants must be directed through the EPA to state DWSRF programs. DPH has an existing Operating Agreement with EPA Region 1 for the implementation of our DWSRF program and understands and complies with all state and federal requirements related to DWSRF funding. Project selection is governed by a federally approved Priority Ranking System (PRS) that is used to prioritize projects for DWSRF funding along with a federally approved Disadvantaged Community Assistance Program (DCAP) to subsidize projects in distressed cities and towns throughout Connecticut. The PRS and DCAP are required to be included in DPH's annual DWSRF Intended Use Plan (IUP), which must be submitted to EPA with DPH's annual capitalization grant application. The IUP provides details on how DPH intends to utilize the federal funding from the capitalization grant and the DWSRF corpus each year.

The process is transparent and provides public officials and members of the public opportunity to comment. The DPH publishes a draft IUP each year on its website for a 30-day public comment period which is followed by a public hearing where oral and written testimony can be provided on the IUP's contents. The DPH Commissioner seriously considers all testimony provided during the public participation and hearing process prior to finalizing the IUP.

Thank you for your consideration of this information. DPH encourages committee members to reach out with any questions.

Table 1

	SFY 2023	5 Year Total
DWSRF Supplemental Capitalization Grant	\$17,955,000	\$116,065,000
DWSRF Lead Service Line Replacement Grant	\$28,275,000	\$148,275,000
DWSRF Emerging Contaminants with a Focus on PFAS Grant	\$7,540,000	\$39,540,000